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## UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Before Commissioners:

Michael Kubayanda, Chairman; Ashley E. Poling, Vice Chairwoman; Mark Acton; Ann C. Fisher; and Robert G. Taub

First-Class Package Service (FCPS) Service Standard Changes, 2021 Docket No. N2021-2

## NOTICE AND ORDER CONCERNING THE POSTAL SERVICE'S PRE-FILING CONFERENCE

(Issued May 26, 2021)

Pursuant to 39 CFR 3020.111(d), on May 25, 2021, the Postal Service filed a notice of its intent to conduct a pre-filing conference regarding its proposed changes to the service standards for First-Class Package Services.<sup>1</sup> Due to the COVID-19 pandemic, the conference will be held virtually on June 8, 2021, from 1:00 p.m. to 3:00 p.m. Eastern Daylight Time (EDT). See Notice at 1, 3. At this conference, Postal Service representatives capable of discussing the policy rationale for its proposal will be available to educate the public and to allow interested persons to provide feedback to the Postal Service that it can use to modify or refine its proposal before formally filing a

<sup>&</sup>lt;sup>1</sup> Notice of Pre-Filing Conference, May 25, 2021 (Notice). First-Class Package Services "is a mailing service available for lightweight packages—for retail mailers, the weight of the package cannot exceed 13 ounces; for commercial mailers, the weight of the package cannot exceed 15.999 ounces." Notice at 1, n.1.

request for an advisory opinion from the Commission. *See id.* The registration instructions, which are available at *https://about.usps.com/what/strategic-plans/delivering-for-america/#conference*, direct interested persons to a website to register to participate using Zoom, and state that "[s]pace is limited. Unless all available spaces are taken, you will have until June 1, 2021, at 5:00 p.m. EDT to register."

The Commission establishes Docket No. N2021-2 to consider the Postal Service's proposed changes to the service standards for First-Class Package Services. In conjunction with the announcement of its 10-Year Strategic Plan,<sup>2</sup> the Postal Service proposes to revise the existing service standards for First-Class Package Services, which would "generally affect service on a nationwide or substantially nationwide basis." Notice at 1 (quoting 39 U.S.C. 3661(b)). The Postal Service asserts that its proposed approach would be similar to the changes proposed to Market Dominant First-Class Mail (letter- and flat-shaped mailpieces) in Docket N2021-1, because the First-Class Package Services service standards would also be adjusted to account for additional drive time between origin and destination processing facilities. See Notice at 2. However, the actual service standards that the Postal Service proposes to apply to First-Class Package Services would diverge from those proposed for First-Class Mail. See id.

Specifically, the Postal Service states that its proposal for First-Class Package Services would expand the drive time for the 2-Day service standard to allow additional drive time to certain processing facilities. *See id.* Additionally, within the contiguous United States, the Postal Service states that its proposal would narrow the scope of the existing 3-Day service standard; instead the 4-Day and 5-Day service standards would apply to certain First-Class Package Services traveling longer distances between origin and destination processing facilities. *Id.* Moreover, within the non-contiguous United

<sup>&</sup>lt;sup>2</sup> See United States Postal Service, Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence, March 23, 2021, at 53, available at <a href="https://about.usps.com/what/strategic-plans/delivering-for-america/assets/USPS\_Delivering-For-America.pdf">https://about.usps.com/what/strategic-plans/delivering-for-america/assets/USPS\_Delivering-For-America.pdf</a>.

States and certain territories, the Postal Service plans to increase service standards by up to one day. *Id.* The Postal Service adds that a 4-Day service standard would apply for certain volume, while all other volume to non-contiguous destinations would be subject to the 5-Day service standard. *Id.* 

The Postal Service must file its formal request for an advisory opinion with the Commission at least 90 days before implementing any of the proposed changes. 39 CFR 3020.112. This formal request must certify that the Postal Service has made good faith efforts to address the concerns raised at the pre-filing conference and meet other content requirements. *Id.* section 3020.113. After the Postal Service files the formal request for an advisory opinion, the Commission will set forth a procedural schedule and provide additional information in a notice and order that will be published in the Federal Register. *Id.* section 3020.110. Before issuing its advisory opinion, the Commission must provide an opportunity for a formal, on-the-record hearing pursuant to 5 U.S.C. 556 and 557. 39 U.S.C. 3661(c). The procedural rules in 39 CFR part 3020 apply to Docket No. N2021-2.

Pursuant to 39 U.S.C. 3661(c) and 39 CFR 3020.111(d), the Commission appoints Mallory L. Smith to represent the interests of the general public (Public Representative) in this proceeding. Pursuant to 39 CFR 3020.111(d), the Secretary shall arrange for publication of this Order in the *Federal Register*.

## It is ordered:

- The Commission establishes Docket No. N2021-2 to consider the Postal Service's proposed changes to the service standards for First-Class Package Services.
- 2. The Postal Service shall conduct a virtual pre-filing conference regarding its proposal on June 8, 2021, from 1:00 p.m. to 3:00 p.m. Eastern Daylight Time.

- 3. Pursuant to 39 U.S.C. 3661(c) and 39 CFR 3020.111(d), Mallory L. Smith is appointed to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.
- 4. Pursuant to 39 CFR 3020.111(d), the Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Erica A. Barker Secretary